ALJ/KLM/hl2 Mailed 7/6/2005

Decision 05-07-001 July 1, 2005

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company to Revise its Gas Rates and Tariffs to be Effective July 1, 2005. (U 39 G)

Application 04-07-044 (Filed July 30, 2004)

EXECUTIVE DIRECTOR ORDER CORRECTING TABLES

Decision (D.) 05-06-029 resolved all outstanding issues in this PG&E Biennial Cost Allocation Proceeding; namely, allocation of certain costs among various rates for natural gas services and the establishment of gas throughput forecasts upon which to base those rates.

Through inadvertence, the rate and cost allocation tables in Appendix A to D.05-06-029 were based on an earlier model and failed to recognize revisions to the parties' litigation position adopted by the Commission; these inadvertent errors involve application and allocation of marginal costs. Specifically, the tables improperly:

- Use the 1989-2003 period to establish service line lengths instead of the 1999-2003 period;
- Fail to base service line lengths for the smallest customers on data from July 1998 to 2003;
- Use design costs for individual customers of \$101 rather than \$43; and
- Fail to use marginal distribution costs for setting the rates of West Coast Gas Castle.

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The tables attached to this Order correct the aforementioned inadvertent errors and reflect the policies adopted in D.05-06-029. Therefore, the tables attached to this Order shall replace the tables in Appendix A to that decision.

IT IS ORDERED that

- 1. The tables attached to Decision 05-06-029 as Appendix A are corrected as provided in Appendix A of this order.
 - 2. This proceeding is closed.

Dated July 1, 2005, at San Francisco, California.

/s/ STEVE LARSON

STEVE LARSON Executive Director